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PUBLIC COMMENT HEARING RE:

DRAFT ENVIRONMENTAL IMPACT STATEMENT TUCSON ELECTRIC POWER COMPANY SAHUARITA-NOGALES TRANSMISSION LINE

> Nogales, Arizona September 26, 2003 1:00 P.M. to 3:00 P.M.

RAYNBO COURT REPORTING, LTD. 3625 West Gailey Drive Tucson, Arizona 85741 520/744-2293

Reported by: Raynbo Silva, RPR, CSR, CCR Certified Court Reporter No. 50014

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1 PANEL:
2 ANTHONY COMO, Department of Energy
3 ELLEN RUSSELL, Department of Energy
4 BRIAN MILLS, Department of Energy
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        The above hearing was held at the Santa Cruz
14 County Office Building, 2150 North Congress Drive, in the
15 City of Nogales, County of Santa Cruz, State of Arizona,
16 before Raynbo Silva, RPR, CSR, CCR, Court Reporter
17 No. 50014, in and for the County of Pima, State of Arizona,
18 on the 26th day of September, 2003, commencing at the hour
19 of 1:00 P.M.
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23 ****
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- 1 MR. ANTHONY COMO: Thank you, ladies and 2 gentlemen. I would like to call this hearing to order.
- My name is Tony Como. I am with the 4 U.S. Department of Energy, the Office of Fossil Energy. We 5 are here today to hear your comments on a Draft 6 Environmental Impact Statement that was sent out a little 7 over a month ago. And I will give about just a couple of 8 minute comments to sort of set the stage of how we got to 9 this point. And then we are going to just lay back and 10 listen to you give us your comments, and I will be calling 11 you up one at a time.
- I would like to apologize for the appearance of a 13 formal proceeding over here. This was the only room in 14 town. Normally we like to keep things looking a little bit 15 less formal.
- In that vein I will note that we have a court
 17 reporter here, and that is not to imply any higher degree of
 18 formality. It's just so we can capture everything that's
 19 said. So with consideration for the court reporter at least
 20 the very first time that you stand up to speak we are asking
 21 that you say and spell your name. And then any other times
 22 that you may care to say anything, if you could just say who
 23 you are. She will already have the spelling. Try to speak
 24 a little slowly and clearly for her. And if you use any
 25 technical terms or any terms of art, you might want to spell

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- 1 them for her. She will always reserve the right to raise 2 her hand and ask you to repeat something that she doesn't 3 understand.
- And Ellen, my colleague, reminded me that we unfortunately don't have a microphone out in the aisles, and so we would appreciate if you could come to the podium over here and use the microphone so that everyone in the room can hear, although the room is small enough it may not be a problem.
- How did we get here? End of 2001, I guess, Tucson
 11 Electric Power Company applied to the Department of Energy
 12 for a Presidential Permit. They would need that permit
 13 because they were proposing to build a transmission line
 14 that crossed the U.S. International border across Mexico.
- 15 If the line were not crossing the border, the 16 United States Department of Energy would not be involved in 17 it. We would not have any jurisdiction over the line.
- But there are other Federal agencies, like the 19 U.S. Forest Service and the Bureau of Land Management that 20 do have something to say and a role in portions of the line 21 that go through Federal lands managed by those two agencies.
- So we all collectively, Forest Service, BLM and 23 the Department of Energy, decided to prepare an 24 Environmental Impact Statement.
- We published the draft about a month ago and

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- 1 distributed it to everyone, and now we are here today to 2 collect your comments.
- The comment period closes on October 14th. We 4 would encourage you to try to get any additional comments 5 that you might care to make in by that time.
- 6 It's not a drop-dead deadline. I will not tell
 7 you that if they come in on October 20th we are throwing
 8 them out. That's not the case at all. It's just at some
 9 point we have to sort of put our pencils down, decide what
 10 we have and begin doing work on a final based on what we
 11 have.
- We will always consider comments that come in any 13 time they come in to the extent that it's reasonable and 14 practicable for us to do so. But the earlier you get us 15 comments the better chance we have of including them in our 16 preparation of the final and in giving them due 17 consideration.
- 18 I guess I'll introduce my colleagues over here.19 On my right, I guess that would be your left, Ellen Russell,
- 20 and she works in the office with me.
- 21 On my left over here we have Brian Mills from the 22 Department of Energy's Office of NEPA Compliance, Policy and 23 Compliance.
- And way, way in the back cleverly disguised as a 25 mild mannered Federal employee is Rick Ahern. He is our

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- 1 attorney on the environmental side of our house over here.
- Also, in the room we have Jerry Connor from the 3 U.S. Forest Service, and Bob Suedkamp, you don't have an 4 actual role in this thing. And I don't see anyone from BLM 5 here. Jerry, did you see --
- 6 MR. JERRY CONNOR: No. But Keith said he was 7 coming today.
- 8 MR. ANTHONY COMO: Well, possibly later on in the 9 day Keith Moon from the Bureau of Land Management may join 10 us. If he does, I will introduce him to the rest of you.
- I would ask although we do have some time, we have 12 the room until 3 o'clock, and right now we don't have a 13 whole lot of people to speak, but that may change, as we go 14 through the process, people may change their minds and ask 15 to speak, so just to anticipate or to prevent us from 16 running out of time, we wouldn't want to have anybody not 17 have an opportunity to speak, I am asking that at least the 18 first time you get up if you could limit your comments to 19 about five minutes, that will assure that everybody would 20 have a chance to say something at least once.
- Also, in that regard there are a variety of ways 22 to get your comments introduced to us and on the record. 23 This is just one of them. It isn't even the most important 24 or the most significant way. An e-mail back home, a FAX, a 25 snail mail, any other way you choose to get us comments are

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- 1 handled equally. A letter that we get at home or an e-mail 2 that we get in Washington saying what you want to say will 3 be handled in the same way and given the same weight as 4 anything you may say at one of these hearings over here.
- What are we going to do with your comments? Well, 6 everything that you say or give to us in any form whatsoever 7 will be photographically reproduced and appear in the Final 8 EIS. The transcripts of the four hearings out here will 9 appear verbatim in the final EIS, any letters that you send 10 us, any e-mails that you say. And what we will do is we'll 11 Xerox them, stick them in the document and bracket various 12 points that you make in your comments to us, and next to 13 each one of the points that you make we will indicate our 14 response to that.
- 15 And if we need to modify the document in order to 16 address your points, we will indicate how the document has 17 been modified to do that, so you will be able to see 18 everything when the final comes out.
- How long will that take? It's really a matter of
 how many comments we get, what they are like and how much
 extra work we need to do to adequately address them. But we
 are certainly looking at months, not weeks. Three or four
 months is not out of the realm of likelihood before you
 start seeing a Final Environmental Impact Statement from us.
 I have said more than I probably should.

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- I would like to start calling our first speakers.

 2 And at the request of Mr. Magruder I am going to call the

 3 first person and then indicate who is sort of in the on-deck

 4 circle, if you will.
- 5 So our first speaker is going to be John Maynard, 6 and then Steve Duffy will be on deck. Mr. Maynard?
- 7 MR. JOHN MAYNARD: Thank you. Good afternoon.
- 8 I would like to thank you for the opportunity to 9 speak this afternoon to all of you and also to welcome you 10 to Santa Cruz County on behalf of the Board of Supervisors 11 and my colleagues, Manuel Ruiz and Robert Damon and myself,
- 12 John Maynard. We are honored you are here, and we 13 appreciate the fact that the Federal government occasionally 14 comes to a local entity.
- I do like to go to Washington, D.C. It's a very leavest for the same of the sa
- MR. ANTHONY COMO: We will have to see about that.
- 20 MR. JOHN MAYNARD: I want to speak a little bit
- 21 about this subject as a government official, elected
- 22 representative but, also, as an individual and a taxpayer.
- 23 So all I do want to say, and then I believe our County
- 24 Attorney is going to follow up on that with some more depth
- 25 is that the Santa Cruz County Board of Supervisors passed or

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1 voted on the issue of a western line preferred route of 2 115-kV, and I believe that that decision and that vote was 3 unanimous.

- I would like to go back, though, and talk about a few other things that have occurred in our County, not only since that decision but prior to it. And that is that the ACC had required a second transmission line in 1999. And that was, I believe, a result of a number of residents in 9 the County as well as the City of Nogales simply saying that 10 we needed reliable energy, not only in Nogales but in 11 Santa Cruz County.
- And I also believe that since then the repair work
 13 that Citizens Utility did at the time, they installed well
 14 over a thousand poles that we had heard, a few new
 15 substations, and there was also some fiberoptic
 16 communications that were included in the repairs, that the
 17 service in this County has really improved.
- And I not only thank Citizens Utility for that, 19 but I am also looking forward to UniSource continuing that. 20 There still is a need for improvements.
- At the time that the Siting Committee hearings
 22 were held in the spring of 2002 we also had an Energy
 23 Commission that had been jointly appointed by the City of
 24 Nogales as well as Santa Cruz County. And they studied this
 25 for several months, and they had reported to our board that

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1 we only had about 60 megawatts on one transmission line and 2 that was near peak load.

- I believe at that time it was estimated it was 4 somewhere around 52 or so megawatts and that another source, 5 reliable source of electricity was needed.
- 6 Now our board, as I said, confirmed and passed a 7 resolution for the need of a second 115-kV line.
- 8 Anyway we all concurred, I believe, that a second 9 line at that point in time would definitely improve 10 reliability in this County.
- But the other thing that was discussed by the 12 commission that I felt was very interesting was the idea of 13 building a local generational facility. That issue was 14 discussed, and there were obviously people that favored the
 - 15 idea and people that did not. But I think it's an idea that 16 is well worth merit, and it's something that I'm hoping will 17 be relooked at again.
 - I would like to look at where we are with today's 19 situation, which I believe is somewhat different than '99.
 - 20 As I said, after the ACC issued the certificate of 21 environmental compatibility, Citizens did upgrade that
- JM-2 22 115-kV line to 100 megawatts, and that I believe alleviated 23 the need for or at least solved the need for the additional 24 power.
- JM-1 25 The second line, which I believe is the main cont.

Comment No. JM-1

Section 1.2 explains the roles of the Federal agencies in developing alternatives for the proposed project. Where an applicant seeks a permit for a particular business project, such as the case with TEP's proposed project, the Federal agencies generally limit their review of alternatives to those that would satisfy the applicant's proposal and decide whether that proposal is or is not worthy of receiving a permit. The Federal agencies do not review alternatives that are not within the scope of the applicant's proposal. Similarly, the agencies do not direct the applicant to alter its proposal; instead, the agencies decide whether a permit is appropriate for the proposal as the applicant envisions it. It is not for the agency to run the applicant's business and to change the applicant's proposal, but only to evaluate the environmental effects of the applicant's business proposal as offered. Accordingly, the EIS evaluates a reasonable range of alternatives, which include the full spectrum of alternatives that would satisfy the applicant's proposal.

A new power plant in Nogales is not a viable alternative to a new, second transmission line (part of TEP's proposal). Therefore, the alternative of a new power plant is not evaluated in detail in this EIS (refer also to Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis).

Section 1.2.2, Federal Agencies' Purpose and Need Statements, explains why an EIS is required for evaluation of the proposed project.

Comment No. JM-2

The ACC is vested with the state's authority to decide how it believes energy should be furnished within Arizona's borders (for example, the need for and effectiveness of transmission lines within its borders). Refer to the revised text in Section 1.1.2, The Origin of TEP's Proposal: TEP's Business Plan and the Proceedings of the Arizona Corporation Committee, that provides explanation of the jurisdictions and authorities of the state and Federal agencies, and their relationship to this NEPA analysis.

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JM-1

cont.

1 reason for the requirement of now obviously a Department of 2 Energy Environmental Impact Statement, that EIS, I believe, 3 is required to assess and show all of the decision makers in 4 this process some objective comparisons of all of the 5 alternatives. And I have been told that the alternative of 6 a local power plant in Nogales should be included as one of 7 those alternatives.

8 I am not familiar with the structure of the EIS.
9 I have never written one. I have read a few, and I have
10 also read parts of many others. But I do think that that's
11 something that should be looked at in this Environmental
12 Impact Study.

13 As I said, that comparison, which I think is a
14 very viable one, was omitted, and a number of people have
15 wondered why and have questioned that and have asked me.
16 And I don't have an answer to that. I don't.

Also, I think our County is concerned about cost.

JM-3

18 We have a very high unemployment rate. We also have a high 19 poverty rate. Neither of those factors is anything that 20 we're proud of, but it's here, and it's a reality of life on 21 the border, not only in Santa Cruz County but with our 22 brethren in California, New Mexico and Texas as well.

JM-4 23 We have recently had to deal with a 22 percent 24 increase in electricity and I have also heard an over 25 20 percent increase in natural gas. I don't personally have

Comment No. JM-2 (continued)

As discussed in Section 2.1.5, improvements to the local distribution system (formerly Citizens) do not eliminate the need for the proposed second transmission line.

Comment No. JM-3

Section 3.13 discusses minority and low-income populations in the vicinity of the proposed project, and Section 4.14 discusses potential environmental justice impacts to minority and low-income populations. Also, Section 3.5.2 discusses employment in the vicinity of the proposed project, and Section 4.5 discusses potential impacts on employment.

Comment No. JM-4

Because the Federal agencies cannot anticipate how the ACC may adjust consumer electricity rates in light of the proposed project, the potential change in consumer electricity rates is too speculative for inclusion in the EIS.

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cont.

1 natural gas that I am utilizing, but I do have electricity, JM-4 2 and my bill has gone up. It's not only gone up at home, but 3 I know it's gone up here at the County and the City is 4 struggling with the same issue.

> The other side of the coin is that the purchase by 6 UniSource of Citizens Utilities was at about somewhere 7 around 45 or 50 percent of what we believe is the true value 8 of that system. And we anticipate that there will be a 9 reduction in the valuation of those assets, which means a 10 reduction in tax revenues that will be coming forth next 11 year or the year after, not only to Santa Cruz County but to 12 the school districts and the fire districts.

JM -5

So the impacts are going to be double. It's a 14 double whammy for lack of a better term. These entities are 15 going to see less revenue through taxation, and their costs 16 to operate are going to increase.

17 We have often thought that that issue in itself in 18 an interesting way is more critical to the survival of the 19 schools, the fire districts, the County and the City 20 governments than whether or not we get a second line at this 21 point.

JM-6

I don't believe that the transmission line if it 23 is built will provide any long-term jobs in Santa Cruz 24 County, but I do feel that there will be a reduction. My 25 understanding is that already UniSource has laid off about

Comment No. JM-5

The potential reduction in tax revenues into Santa Cruz County from Citizens Utilities' purchase of UniSource is outside the scope of the EIS.

Comment No. JM-6

An average of 30 direct jobs and approximately 31 indirect jobs would be created by the construction phase of the proposed project (see Section 4.5.1). The EIS only analyzes the potential environmental impacts from the proposed project; the potential socioeconomic impacts from the purchase of Citizens are outside the scope of the EIS.

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- 1 10 to 15 percent of the former Citizens staff.
- 2 The City of Nogales did look at and discussed and
- 3 put it to a vote of residents of the City of Nogales about
- 4 the discussion of municipalization, in other words,
- 5 purchasing the assets and running it as a municipal
- 6 corporation, utility company, excuse me, and that was voted 7 down in September of this year.
- 8 We are looking for other, as a County entity and I
- 9 believe the schools and the fire districts, are looking for
- 10 other ways or other measures to take to reduce energy costs.
- One of the things that we would like to see
- 12 considered, and I am hoping that it will come out in the
- 13 Final Environmental Impact Statement, is the alternative of
- 14 a local generational facility. I think it needs to be
- 15 addressed. I think it's a real alternative. I believe it's
- 16 something that ought to be considered, and I think it's
- 17 very, very important when you compare all of the
- 18 alternatives that we're going to be looking at.
- 19 I don't really have anything else that I would
- 20 like to add today other than I do again want to thank you
- 21 for coming to our County. I hope you will enjoy your visit
- 22 while you are here, and I look forward to hopefully
- 23 discussing this with you again in the near future.
- 24 Thanks a lot.

JM-1

25 MR. ANTHONY COMO: Thank you, Mr. Maynard.

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- 1 We have Steve Duffy followed by George Bell.
- MR. STEVE DUFFY: Thank you. I'm Steve Duffy. I 3 represent the Santa Cruz Valley Citizens Council, which is a 4 group of property owners in and around the Tubac area.
- We participated in the earlier round that you all 6 had, the scoping rounds a couple of years ago. We were also 7 participants in the proceedings before the Line Siting 8 Committee and the Corporation Commission.
- We will be filing some more detailed comments, and 10 so I am just going to kind of do a high level approach here 11 today, and I will point out a few highlights or some 12 concerns that we have.
- 13 First, we understand the requirement that you 14 consider alternatives to the preferred approach that the 15 applicants have here. We understand that. What is 16 concerning is that one of those alternatives remains the 17 central route.

SD-1

- 18 In the course of putting together the Draft EIS
 19 the Department had no problem removing as a possibility the
 20 eastern corridor. We don't have any quibble with that. I
 21 don't care to revisit that issue.
- But in the same way that that corridor was removed 23 initially, preliminarily, the central route should have been 24 removed. Some of the same issues exist over there. And in 25 addition to that, the central route was specifically

Comment No. SD-1

The Eastern Corridor was eliminated from further consideration in this EIS because of the reasons given by TEP in a letter to DOE (TEP 2002a) that rendered it infeasible (see Section 2.1.5 for further discussion of elimination of the Eastern Corridor), regardless of the actions of the ACC. The Central Corridor, however, remains a viable alternative for selection by the Federal decisionmakers. However, implementation of the proposed project in the Central Corridor could not occur until TEP meets all regulatory requirements, including obtaining the necessary approval from the ACC.

The specific concerns cited by the commentor of visual and cultural impacts from the Central Corridor are addressed in Sections 4.2 and 4.4, respectively. The visual analysis includes a Visual Sensitivity Map (Figure 4.2-4) based on residential density and topography, which shows that portions of the Central Corridor are closer to more densely populated areas than the Western and Crossover Corridors. Section 4.4.1.2 addresses the visual impacts on the Tumacacori and Tubac historic sites. Additionally, a report in Appendix I has been added to the EIS to include a specific evaluation of visual impacts on the Tumacacori and Tubac historic sites. The conclusion of that report is as follows: "Although the Central Corridor is very visible from many other locations, it is unlikely that the line would be visible from the Tumacacori and Tubac historic sites."

There are a number of schools between Sahuarita and Nogales, Arizona, but none are located within any of the study corridors or their immediate vicinity.

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SD-1

1 rejected by the Corporation Commission.

It is not a matter of the Corporation Commission 3 said we're going to approve the western route but maybe the 4 central route would be okay some day. That's not how it cont. 5 happened. Both the Line Siting Committee and the 6 Corporation Commission specifically rejected the central 7 route. That's not an appropriate route. And for that 8 reason that route is simply not a reasonable alternative for 9 you to consider.

Mr. Maynard makes a lot of sense on a number of 11 issues. Everything he said I agree with, one of them being SD-2 12 the possibility of either local generation or no action 13 alternative, which results in local generation by someone 14 else perhaps.

15 But consideration, continued consideration of the 16 central route just flies in the face of every jurisdiction 17 that's looked at this so far. Every local jurisdiction SD-1 18 that's looked at this, the Corporation Commission, the Line 19 Siting Committee, the County of Santa Cruz County, every 20 other local jurisdiction along the line, everybody else 21 rejects the central route. So we just think that that is an 22 alternative that you shouldn't even bother with. You should 23 be throwing that out now.

Again, because of that it may be that the most SD-3 25 likely or logical thing is a no action alternative. And I

Comment No. SD-2

The Federal agencies are not aware of any evidence indicating it is reasonably foreseeable that selection of the No Action Alternative by any of the Federal agencies would result in the construction of local generation facilities (refer also to Section 5.2, Reasonably Foreseeable Action Identification, New or Expanded Power Plants in Southern Arizona, in the Final EIS). A new power plant in Nogales is not a viable alternative to a new, second transmission line. Therefore, the alternative of a new power plant is not evaluated in detail in this EIS (refer also to Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis).

Comment No. SD-3

Section 1.4 describes the preferred alternative(s) of each Federal agency, based on the alternatives evaluated in detail in the EIS. Section 1.6.6 states that the decisions of each Federal agency will be explained in their respective RODs.

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1 think that's your decision. Your decision from our 2 perspective is you have the western route or you have a no 3 action alternative and nothing else. Is the western route 4 appropriate? And you have, as I understand it, an 5 alternative piece to the western route is the crossover.

SD-3 cont

- We understand that that should be your decision 7 should you go one of those two things, either the western 8 route with or without the crossover and the no action 9 alternative. And again, we'll be filing some more detailed 10 comments on this.
- The other thing I would like to point out, though, 12 and this is just, I hope you don't see this as a quibble 13 with the draft, it is almost as if people issues are 14 insignificant.
- There are statements in there with respect to 16 visual impact and scenic views and those kinds of things. 17 And yet when they talk about the central corridor, they talk

- SD-4 18 about, oh, it's just too bad if the effect of using the 19 central corridor is to ruin the property values of some 20 people. It's just odd. In this society for whatever reason 21 we tend to count things. That's how we keep score sometime 22 is through the value of things.
 - And to me for the Draft EIS to essentially say, 24 well, that's just too darn bad if some people are affected 25 in their property values if the central route is selected.

Comment No. SD-4

The Federal agencies believe that the resource areas evaluated in the EIS comply with CEO NEPA-implementing regulations that require an EIS to "inform the decisionmakers and the public of the reasonable alternatives which would avoid or minimize adverse impacts or enhance the quality of the human environment" (40 CFR Part 1502.1).

Any decrease in property values from the proposed transmission lines would be perception-based impact, that is, an impact that does not depend on actual physical environmental impacts resulting directly from the proposed project, but rather upon the subjective perceptions of prospective purchasers in the real estate market at any given time. Any connection between public perception of a risk to property values and future behavior would be uncertain or speculative at best, and therefore would not inform decisionmaking. Section 4.5 references a discussion of past studies of the impact of transmission lines and property values in other geographic areas. The studies conclude that other factors, such as general location, size of property, and supply and demand factors, are far more important criteria than the proximity of a transmission line in determining the value of residential real estate. Accordingly, while the Federal agencies recognize that a given property owner's value could be affected (positively or negatively) by the project, the Federal agencies have not attempted to quantify theoretical public perceptions of property values should the proposed project be built.

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<u> </u>	
	1 That just seems inconsistent with concerns about visual
SD-4	2 impact because that's why property values would drop is
cont.	3 because of the effect on visual impact. It just happens to
	4 be a measurable thing. In fact, it's a lot more measurable
	5 than a lot of the other approaches that are used.
	6 In any event, the central route should simply not
SD-3 cont.	7 be part of the calculus here. It should be relegated to the
	8 western route and the no action alternative. And again, we
	9 will be filing some additional, more detailed comments
	10 sometime before the 14th.
	And thank you very much for the opportunity.
	MR. ANTHONY COMO: Thank you, Mr. Duffy.
	13 George Bell?
	And he will be followed by Marshall Magruder.
	MR. GEORGE BELL: My name is George Bell, and
	16 thank you very much for letting me speak today.
	I am going to move this map a little. My concern
	18 is not really a big concern, but it's got to do with the
	19 western route in that we are local ranchers. I am with the
	20 ZZ Cattle Corporation and Bear Valley Ranch. And the line
	21 comes into the ranch here and goes all the way to over here.
	22 So basically there is one other ranch besides us that is
	23 right in here. It's the Clark Ranch. So basically this
	24 western route once it enters here goes through two families.
	So I would guess we don't have much of a vote

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1 against Tubac, but that's really no concern.

I just wanted to let you know that my one concern 3 is right here. If you will look at your Picture 4-35, and 4 it's got to do with the Thumb, they call it Thumb Picnic 5 Area at Pena Blanca. Well, basically it's right here is 6 what we call Monkey Mountain or Castle Rock. And the way 7 they took these pictures it's a little deceiving because it 8 shows Castle Rock, and it shows where there is supposedly a 9 power pole, but from where it's taken the picture you can't GB-1 10 see it because it's screened by the topography.

- But the problem is the Ruby Road goes right in 12 front of Castle Rock, and that's where the line is. So 13 obviously you are going to be able to see it because it goes 14 right over your head.
- And the only reason I bring that up is it's a 16 pretty well used area. People from really from all over the 17 world do come and photograph it because it's unique. And I 18 was just wondering if it does go there, really what they 19 should do is put it behind it, either put it behind it or 20 put it this way but to get it out.
- In other words, you are going to have the power 22 poles and Thumb view right there. They call it what? 23 Castle Rock. And that's one comment there.

The other thing that I want to bring up they 25 mentioned that TEP would be taking out so many wildcat road

Comment No. GB-1

The viewing location for Visual Simulation 1 was selected to show the view from Upper Thumb Picnic Area looking towards the proposed project and Castle Rock, and accurately depicts this view. The transmission line route behind Castle Rock that was suggested by the commentor would be outside of the 0.25-mi (0.4-km) study corridor. TEP consulted with USFS on the reroute suggested by the commentor, and USFS did not express preference for the suggested re-route over the study corridor route in the Draft EIS. Therefore, TEP is not pursuing the suggested re-route.

Section 1.2 explains the roles of the Federal agencies in developing alternatives for the proposed project. Where an applicant seeks a permit for a particular business project, such as the case with TEP's proposed project, the Federal agencies generally limit their review of alternatives to those that would satisfy the applicant's proposal and decide whether that proposal is or is not worthy of receiving a permit. The Federal agencies do not review alternatives that are not within the scope of the applicant's proposal. Similarly, the agencies do not direct the applicant to alter its proposal; instead, the agencies decide whether a permit is appropriate for the proposal as the applicant envisions it. It is not for the agency to run the applicant's business and to change the applicant's proposal, but only to evaluate the environmental effects of the applicant's business proposal as offered. Accordingly, the EIS evaluates a reasonable range of alternatives, which include the full spectrum of alternatives that would satisfy the applicant's proposal.

Comment No. GB-2

Section 4.12.1, Transportation, of the Final EIS has been revised to clarify that roads to be closed on the Coronado National Forest to maintain the existing road density would be identified through the authorization process. following issuance of a ROD by USFS (see Section 1.4.2.2, USFS Purpose and Need). The authorization process would include USFS personnel who would coordinate the road closures with other multiple uses, such as grazing permits, on the Coronado National Forest.

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1 for every road that they make.

Well, I want to know which roads they are going to 3 take out because to us they are not wildcat roads. We use $_{\mathrm{GB-2}}$ 4 them. I mean that's how we get our salt out to the cattle.

- cont. 5 In most cases we have to pack it on a horse or a burrow, but 6 a lot of it we actually use the roads. So if they start 7 taking out roads, well, that's not going to work either. So 8 that's really all I have.
 - Bear Valley Ranch is basically right here, and 10 ZZ Cattle is right here. And of course it's almost all 11 National Forest. I want to add that.
 - MR. ANTHONY COMO: Now we have Marshall Magruder 13 followed by Holly Hawn.
 - MR. MARSHALL MAGRUDER: Thank you, Mr. Como. 14
 - My name is Marshall Magruder. I am a resident of 15 16 Tubac.
 - I want to talk today about reliability, and I have
 - 18 a copy of this handout for you. I forgot to give it to you.
 - 19 There are many areas that we can talk about on this subject,
 - 20 but I am going to focus in on reliability this afternoon.
 - 21 And a particular part of this is from an article that was in
 - 22 today's Nogales International. I wrote the article, so I
 - 23 have expanded a little bit.
 - I'm sorry, but I have to use a few scientific
 - 25 terms and a couple of numbers, but that sort of happens when

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1 you get into this sort of stuff.

- And I am trying to explain what the headline was in last Tuesday's paper that said, "Mandated power line to 4 increase reliability."
- Our electrical system constantly is changing.

 6 What we had in 1999 is not what we have today. The term

 7 reliability, though, as defined by the National Electric

 8 Reliability Council has a very long, nontechnical

 9 definition. But to be implemented it means that electricity

 10 supply lines are available for customers. Electricity

 11 supply or power availability is measured in watts.

 12 Reliability engineers, which I have worked with for years,

 13 refer to the percent of the time that this system is

 14 available or operable. Outage is the time that it is not

 15 available.
- 16 In this case it's easy for us then to convert 17 the percent available to the total outage time per year.
- Reliability requires both you have to have watts 19 and you have to have line, the time that there is no 20 outages, in other words, supply and wires are required for 21 or this system is unreliable. Let's talk about supply for a 22 few minutes.

MM-1

Until mid 2000 Santa Cruz County had two supply 24 sources. It had a 115 kilovolt line with 60 megawatts that 25 came in from the north. We had 48 megawatts, our second

Comment No. MM-1

The ACC is vested with the state's authority to decide how it believes energy should be furnished within Arizona's borders (for example, the need for and effectiveness of transmission lines within its borders). Refer to the revised text in Section 1.1.2, The Origin of TEP's Proposal: TEP's Business Plan and the Proceedings of the Arizona Corporation Committee, that provides explanation of the jurisdictions and authorities of the state and Federal agencies, and their relationship to this NEPA analysis.

Section 2.1.5 of the EIS describes why improvements to the local (formerly Citizens) distribution system do not eliminate the need for the proposed second transmission line. The Federal agencies agree that it is the purview of the state to determine the need for and effectiveness of transmission lines within its boundaries.

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- 1 source, downtown and local generation. Add them together we 2 have got 108 megawatts, which we really needed.
- The one downtown was backup, not our primary 4 source, and we'd go on spinning reserves when we had a storm 5 and was the backup.
- But we had at least 60, or when we needed it we 7 could go above 60. We actually had 108. We only had one 8 source, those two sources. That's all we had.

MM-1 cont

- On June 4th, 2002, we hit our maximum peak of 10 58.7 megawatts. That was only the sixth time we had ever 11 exceeded 50 megawatts in this County, and we might have 12 exceeded it since then. I just don't know.
- So then our local generators, what we have 14 downtown, our 48 megawatts, would meet our capacity, our 15 backup capacity 99.6 percent of the time. And I used 20 16 hours of outage on that year. So 99.6 percent of the time 17 we had at that time enough backup.
- Second subject: Outage. Remember you have to 19 have supply, you have to have lines, wires.
- We had 17 transmission line outages over the five
- 21 years that we had poor reliability on our present
- 22 115 kilovolt line, a total of a little over 10 hours of
- 23 outage, average of 2.05 hours of outage per year.
- The most significant of that 10 hours was 7 hours
- 25 because the battery was dead that started the electric motor

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- 1 that started the generator. And when you don't have 2 electricity and the battery is dead, you can't start the 3 starter that starts the generator.
- And they went out and bought a bunch -- is Ernesto 5 here? He told me the story. They went out and bought a 6 bunch of batteries at the local garage and brought them in, 7 and they finally got it started. But that was most of the 8 time.
- But that precipitated a \$5.5 million class action 10 lawsuit. That precipitated the City of Nogales filing a 11 formal objection with the Arizona Corporation Commission.
- Of those 17 outages eight of them were human 13 caused, people not switching the switch right, people 14 thinking that the circuit breaker is open and it's closed or 15 it's closed and it's open. But there were 17 outages.

- During that same five year period -- let me put it MM-1 17 another way. A new transmission line will not solve the 18 other 2,304 outages that occurred in those same five years.
 - Those are between the subscribers, and the

19 Those are from the substations to the users.

- 21 subscribers, the users don't know and have no way to find
- 22 out why the electricity isn't making it to their plug
- 23 because it's off. So 2,304 times there were outages in this
- 24 County that the power line that we're talking about today
- 25 will have no impact on.

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- 1 We're only talking about those that were 17, well, 2 eight of those were manual, we're only talking nine outages 3 over five years. That's what the Arizona Corporation 4 Commission tried to help.
- 5 In 1999 we were described politely as a basket 6 case. We had terrible distribution, and we had terrible 7 transmission problems, and we were getting marginal on our 8 source, supply. We were in bad shape.
- And then we went through a whole bunch of changes 10 that were mentioned a little while ago by Mr. Maynard. And 11 we have had significant improvement since '99.
- But on the subject of transmission reliability we 13 now have four substations we didn't have before. So between 14 Tucson and Nogales we have different breakers, if you want 15 to call them that, that we can split and segregate our 16 system, which we didn't have before, so people in the north 17 of the County can receive electricity from Tucson and those 18 in Nogales can receive it from the local generators.
- We really didn't have that capability earlier, 20 which then means that we had almost some redundancy just 21 from some local changes. It's redundancy that's the key to 22 reliability.
- 23 Citizens' plan of action that they submitted to 24 the Corporation Commission called for a 115 kilovolt line 25 between Tucson and Nogales. They provided a detailed

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- 1 schedule that showed that all environmental impacts would be 2 resolved including an Environmental Impact Statement 3 completed prior to filing with the Corporation Commission to 4 receive their certification of environmental compatibility.
- 5 That's what the Arizona Corporation Commission 6 approved. They considered that as a requirement for our 7 backup. It's supposed to be operational at the end of this 8 year.
- 9 Then the line wars with Mexico started. Just a 10 little earlier the PNM from New Mexico filed an application 11 to go to Mexico.
- TEP has a very negative and a very public negative
 13 position with respect to the PNM from the New Mexico Power
 14 Company. TEP does not want PNM in its own backyard. They
 15 don't get along, and they really -- it was public there in
 16 the Siting Committee some of the disagreements between the
 17 two companies.
- 18 In June of 2000 TEP approached Citizens and had 19 open discussions concerning their participation in the power 20 line and a backup power line.
- 21 On 17 of August, 2000, a Presidential Permit was 22 submitted to set up this present program that's caused this 23 Environmental Impact Statement to happen.
- In 1, March of 2001 they filed in with the 25 Corporation Commission. During the Siting Hearings the

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- 1 115 line, the supply line for this County, our extension 2 core was rated at 60 megawatts.
- This was obviously a concern, and the Corporation 4 Commission felt that we had a demand reliability problem, a 5 supply reliability problem at that time.
- First it was circuits. That got fixed. Now we 7 don't have the supply. We are on the other side of the word 8 reliability. And therefore, they approved, the Corporation 9 Commission, they approved this application.
- Shortly thereafter Citizens finally completed the 11 last three miles of upgrade on that 115 transmission line 12 and it's now rated 100 megawatts. The supply issue went 13 away. There is no one -- and George Bell was on the same 14 committee. We have always agreed 100 megawatts is the most 15 that this County as its normal demand.
- Guess what we're going to get on this wire that 17 goes from here to here? A 115 kilovolt line with 18 100 megawatts. The 345 kilovolt line bypasses Nogales. It 19 goes to Mexico. It really doesn't come here. It never 20 services the people in this County. It is not for us.
- And the 1,900 megawatts of power that's on that 22 line are not for us. We only will receive 100 megawatts, 23 period.
- 24 So the Arizona Corporation Commission agreed on 25 the second line. When they mandated, they never mandated a

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- 1 voltage. They never mandated that 12 lines had to go to 2 Mexico. They never mandated that the lines had to go
- 3 through some of the most primitive wilderness areas in our
- 4 National Forest system in southern Arizona that people
- 5 talked about extensively last night. They did not approve
- 6 or mandate lines that would cost every ratepayer in this
- 7 County \$30 per month, which is an exorbitant amount of money
- 8 for two hours of power per year. They did not mandate 9 140-foot tall towers.
- They thought when they mandated in 1999 they were 11 mandating 60-foot H-frames and a 115 kilovolt line. That's 12 what they thought they were mandating. TEP is the one who 13 put all of those add-ons on.
- Redundancy improves the reliability. It's not 15 voltage. It's not the height of the tower. And it's not 16 the company. It's redundancy.
- 17 The present transmission line I talked about for 18 the five bad years had 2.05 hours of outage. That's 99.977 19 reliable. Most people would think that's pretty good. We 20 complained, and we actually got paid the \$5.5 million.
- Two lines, and this could be any second line, 22 using that same terrible reliability number will have us 23 have 1.72 seconds of outage per year. That's pretty 24 reliable. In fact, it's 99.999945 percent reliable.
- A local power plant that people talked about is

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- 1 required by the Arizona Corporation Commission to meet their
- 2 N minus 1 rule, which means they have to have two
- 3 interconnections to substations in the local area that will
- 4 give us three transmission lines at 100 megawatts or so each
- 5 in this County. Three transmission lines will change the
- 6 reliability to 0.000404 seconds of outage per year. Now
- 7 that's reliability. That's 99 point 10 more 9's followed
- 8 by 7 percent reliability. That's what a local power plant 9 will do.
- 10 ACC mandated a backup line, but it never said it
- $11\ \mathrm{had}$ to come from Tucson. A three-mile backup line has a lot
- 12 better reliability -- I don't care who you are -- than a 13 60-mile power line.
- A local power plant to serve the target area is a
- MM-2 15 requirement to be evaluated in an Environmental Impact
 - 16 Statement. TEP said it was not in their business plan to
 - 17 evaluate a power plant in this County.
 - The people have spoken. The people spoke last
 - 19 night. They have already spoken today. They want an
 - 20 assessment. And we were very happy when we read the Federal
 - 21 Register that said you were going to do that assessment. It
 - 22 is not there.
 - In addition, it's not just an assessment and the
 - 24 comparisons in adding another one of those vertical columns
 - 25 in the local power plant. We are required to have a

Comment No. MM-2

A new power plant in Nogales is not a viable alternative to a new, second transmission line (part of TEP's proposal). Therefore, the alternative of a new power plant is not evaluated in detail in this EIS (refer also to Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis).

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1 cumulative effects analysis, which some people have already
2 talked about. I know others will later. That means look at
3 all alternatives, past, present and future impacts, both
4 side of the border, air pollution. What does it do if we
5 have a power plant here versus 2,000 megawatts of power
6 plants in Mexico? What will that do to this County with the
7 prevailing wind from the south and no natural gas in Sonora
8 in the area near us? That means coal powered power plants.

- 9 UniSource means one source. The source that 10 UniSource uses for its power in Tucson 94 percent of the 11 time is coal.
- 12 The Draft EIS must be rewritten. It must include
 13 the required analyses so the decision makers can be informed
 14 so that this decision that lasts for generations is made
 15 correctly and not incorrectly as the path we have been
 16 moving down.

I have included copies of my computations, and I
18 am using standard reliability engineering and probability
19 stuff that's not found in the electrical business because of
MM-5
20 the crummy definition that they use for the reliability term
21 which was mentioned as a result of the blackouts in the near
22 east because reliability is not defined in the electrical
23 industry in quantitative terms because TEP has never
24 provided us in any place a reliability analysis or any

25 numbers whatsoever other than that their towers are more

Comment No. MM-3

Chapter 5, Cumulative Effects, of the Final EIS has been augmented to discuss the growth of electricity demand in Mexico and the United States and the potential for new power plants, and to describe qualitatively the potential impacts in the United States (including air quality impacts) from power plant construction in southern Arizona and Sonora, Mexico. Chapter 5 has also been revised to describe the regulation of power plants in Mexico (including coordination between the United States and Mexico), associated emissions, and potential fuel sources, noting that natural gas (rather than coal) is the most likely fuel source for new power plants in Mexico.

Comment No. MM-4

The Draft EIS was prepared in accordance with Section 102(2)(c) of NEPA, the Council of Environmental Quality (CEQ) regulations (40 *Code of Federal Regulations* [CFR] Parts 1500-1508), and all applicable laws, regulations, and agency policies. The Federal agencies have determined that the Draft EIS does not need to be re-issued for additional review.

Comment No. MM-5

Outside of the EIS, DOE will assess the impact of TEP's proposed project on the reliability of the U.S. electric power supply system as part of its decisionmaking process (see Section 1.2.2.1, DOE Purpose and Need).

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- 1 robust, they are more robust. And that's all I have ever 2 heard.
- 3 And I have been through this same analysis in the
- 4 Line Siting Committee, so it's not new to them. They missed
- 5 the critical point. It's not robustness, it's redundancy
- 6 that gives you the reliability.
- 7 Thank you.
- 8 MR. ANTHONY COMO: Thank you, Mr. Magruder.
- 9 Next Holly Hawn, followed by Earl Wilson.
- 10 MS. HOLLY HAWN: Thank you, Mr. Como. My name is
- 11 Holly Hawn. And I am here appearing on behalf of the
- 12 Santa Cruz County Board of Supervisors as a board.
- One of the interesting things about the Board of
- 14 Supervisors, of course, is the fact that they represent the
- 15 entire populace of the County. So it's not only the
- 16 constituency of the City of Nogales or the Town of
- 17 Patagonia, they also represent the unincorporated area of
- 18 the County as well.
- 19 At the time that the ACC was considering this
- 20 transmission line, the Board of Supervisors of course was
- 21 very interested in what that might hold for the County.
- And one of the things that they did was seek input
- 23 from the community as a whole regarding the possibility of a
- 24 second transmission line. And of course, the Board was well
- 25 aware of the fact of the ACC mandate for some type of second

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- 1 line.
- 2 The Board was concerned enough to actually 3 intervene in the proceedings. And I noticed a lot of the 4 people here today are folks that I saw and heard at the 5 proceedings regarding the line siting and before the ACC.
- After listening to the community, and that was composed of people who lived in the outlying areas, people in the city, business and community leaders, the Board decided to take a specific action and to make a specific 10 recommendation before that Line Siting Committee.
- 11 And so they met on May 2nd of 2001. And after 12 input, additional input from the community and discussion 13 the Board did reach a recommendation and a position.
- 15 Supervisors recommended was that if there was to be a second 16 line, as it appeared was going to result from the ACC order, 17 that first of all, that the best interests of the County 18 would be served by placing it along the westernmost

And basically what the Santa Cruz County Board of

- 19 corridor.
 20 I think that was an issue Mr. Duffy raised. And
- 21 yes, in fact, the Santa Cruz County Board of Supervisors was 22 an entity that supported that westernmost placement.
- 22 an entity that supported that westerningst placement.
- 23 The Board was also aware that any line in any 24 placement was going to have some type of impact wherever it 25 was placed.

Comment No. HH-1

A smaller transmission line (e.g., 115-kV line) in lieu of the proposed 345-kV line would not meet the international interconnection aspect of TEP's proposal, and therefore is not evaluated in detail in this EIS (refer also to Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis).

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- 1 They felt that the 115-kV line was most suitable 2 in terms of meeting the reliability issue for the County and 3 then balancing some of the environmental impact that was 4 going to come wherever that line was placed. And they were 5 extremely concerned about the central alternative, of 6 course, because of its high value in terms of cultural and 7 historical kinds of impact.
- 8 And as well I will have to say, also, in following 9 up on Mr. Duffy's comments I think that the Board also did 10 take into account the possible impact it would have on the 11 residents along the central corridor in terms of property 12 values, and that was something that they also took into 13 account.
- 14 In addition to taking a position regarding the
 15 westernmost line and the 115-kV line, the Board included two
 16 other conditions. And one of them was that all of the types
 17 of environmental impacts be looked at in the process of the
 18 ACC. They were concerned about the variety of environmental
 19 impacts that might result and had recommended to the ACC
 20 that they delve into that very, very carefully.
- They also required, I guess you might say, that if 22 this line was to be placed, that it be done in a manner with 23 all of the modern technology that would be available in 24 order to lessen the impacts as this line was placed.
- And so those were basically the four prongs you

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1 might say of the Board of Supervisors' actions.

At the time that they were doing this they also
3 gave my office, the County Attorney's Office, some leeway in
4 terms of dealing with the recommendations regarding this
5 line because there was an attempt before the ACC and the
6 Line Siting Committee to be able to address environmental
7 impacts and historical issues as they came up. So when we
8 were at the ACC hearings, we made a number of suggestions
9 about how these resources could be protected.

At the time all of this occurred I know the Board

- 11 was very concerned about the placement of a line, where it
 12 was placed, how it was placed and the size because they
 13 truly believed after everything that they heard during their
 14 inquiries that the 115-kV line was going to have a much less
 15 detrimental impact on this County and this State and yet it
 16 was going to satisfy the need for that reliability.
 - 17 They remain concerned to this day about all of 18 those issues. And their commitment, I think, has remained 19 the same to the 115-kV line along the western corridor only.
 - 20 MR. ANTHONY COMO: Thank you.
 - 21 Earl Wilson followed by John Rogers.
 - MR. EARL WILSON: My name is Earl Wilson. I am a 23 resident of Tubac, and I was kind of hoping you would call 24 me before Marshall. He is one heck of an act to follow. 25 That guy has forgotten more than I know.

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- Anyway I am not only a resident of Tubac, but I 2 have been chairing a group who have been working on forming 3 a rural electric co-op and for good reason. There has been 4 a mess in a way around here and it's going to be worse yet, 5 this red line going right down here. We put it on hold for 6 awhile when the City of Nogales started working on 7 condemnation proceedings to see if they could do that and 8 take over the utility down here, which really was a 9 distribution network because that's where the problems were.
- Marshall was very eloquent in pointing out there 11 was only 17 transmission line outages and eight were human 12 based in the five years versus 2,304 in this network that EW-1 13 existed around here. That's the real problem.

- The Arizona Corporation Commission apparently 15 didn't understand what the problem really was when they 16 recommended the second line. The second line is a good 17 idea. Marshall says so, too, but I would rather see a 18 second line from here to here instead of Springerville down 19 to here. It makes sense in so many ways.
- There is over a 15 percent line loss between 21 Springerville and Nogales, so we're paying for electricity 22 we don't get. We are paying for 15 percent of the 23 electricity that never gets here. It gets lost on the way 24 down.
- 25 People in Nogales that voted the other day don't

Comment No. EW-1

The ACC is vested with the state's authority to decide how it believes energy should be furnished within Arizona's borders (for example, the need for and effectiveness of transmission lines within its borders). Refer to the revised text in Section 1.1.2, The Origin of TEP's Proposal TEP's Business Plan and the Proceedings of the Arizona Corporation Committee, that provides explanation of the jurisdictions and authorities of the state and Federal agencies, and their relationship to this NEPA analysis.

A new power plant in Nogales is not a viable alternative to a new, second transmission line (part of TEP's proposal). Therefore, the alternative of a new power plant is not evaluated in detail in this EIS (refer also to Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis).

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1 really understand. Most of them don't understand what this 2 is all about, and they unfortunately voted no. So that kind 3 of killed it.

- Our group is going to be back in action now 5 because we will form an electrical cooperative because it's 6 the right thing for us to do to put a power station down 7 here. There is a lot of ways to do it. Incidentally what I 8 am talking about is not the Maestros Group. It's a separate 9 group that has been investigating the same thing for a long 10 time.
- In fact, I think very likely our group and the 11 12 Maestros Group will start talking and working together 13 because it would make sense. It can be gas fired, which is 14 clean, environmentally much better than coal fire or it can 15 be fuel cell or both.

EW-1

- We could put a power station down here with like 17 three miles of line for roughly \$25 million versus spending cont. 18 they say 75 million on that transmission line. It's got to 19 be more like 87 million.
 - It makes economic sense from a capital point of 20 21 view to put a power station here. And most people don't 22 understand that power can go either direction on a line. It 23 doesn't have to always go one way. A power line is not a 24 one-way street. It's a two-way street.
 - TEP was saying, well, you guys, if you did that, 25

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1 you would have more power than you can use and that's not 2 really good on the station. We ship it out. We sell it. 3 This is legally, not only legally possible, it's done all 4 the time. If you have excess power, you sell it to somebody 5 else. So your generating station is busy. It's run the way 6 it should be run all the time. And that would be whether 7 it's a fuel cell station or a gas fired station, either way.

EW-1

But when it comes to environmental impact, and I 9 have been involved in a lot of environmental things along 10 the way, the three-mile transmission line makes a lot more 11 sense than a 60-mile transmission line.

This line is for the sole purpose of selling power EW-2 13 to Mexico. And that's going to take a constitutional 14 amendment in Mexico. And they said Fox is working on it, 15 but right now he is not very popular, and he is not getting 16 everything he wants. So I wouldn't bank on it. But we're EW-3 17 going to pay for it. We're going to pay for it if they do

18 it.

So from an environmental point of view I think 19 20 three miles makes a hell of a lot more sense than 60 miles. 21 From an economic point of view losing over 15 percent of the 22 power on the way down here, does that make sense? That

23 makes no sense to me, none whatsoever.

And lastly, and this is something else that nobody 25 has got around to talking about, even our Federal

Comment No. EW-2

TEP's purpose and need for the proposed project, as provided to DOE in TEP's Presidential Permit Application, is "...to construct a double-circuit 345 kV, alternating current transmission line to interconnect the existing electrical systems of TEP and Citizens Utilities ("Citizens") in Nogales, Arizona, with a further interconnection to be made from Nogales, Arizona to the CFE transmission system...."

If TEP's proposed project is approved by each of the Federal agencies, then there would still be a variety of events that could preclude TEP from implementing this project, such as the possibility of failure by TEP to secure a power sales contract with CFE. Issuance of a Presidential Permit by DOE would only indicate that DOE has no objection to the project, but would not mandate that the project be built.

Comment No. EW-3

After a utility company such as TEP constructs a project, the ACC determines whether, or to what degree, an investment by a utility is recoverable through retail (consumer) electricity rates. Because the Federal agencies cannot anticipate how the ACC may adjust consumer electricity rates in light of the proposed project, the potential change in consumer electricity rates is too speculative for inclusion in the EIS.

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- 1 government, the big guys back there, I am not talking about 2 you all here, from a national security point of view which 3 makes more sense? A lot of smaller stations or one giant 4 station?
- Now we have two very tall buildings on 6 September 10th a couple of years ago and they don't exist 7 anymore. They were prime targets. They were big enough 8 even a guy who had just recently learned how to fly an

- EW-4 9 airplane could hit. And we talked a lot about hitting 10 atomic stations. What if they hit Springerville? All of
 - 11 our power comes down. That hurts. That hurts everybody.
 - 12 We have produce people here that have got to have power. If
 - 13 we have our own power station here, if they hit
 - 14 Springerville, we will have our own power.
 - 15 Just economically, whether it's environmental, 16 just this makes no sense. A local station down here makes a 17 great deal of sense in every way. I am just sorry that the 18 City voted the way it did. It was a shame. They don't 19 understand all the numbers.
 - 20 I thank you very much.
 - MR. ANTHONY COMO: Thank you. 2.1
 - 22 John Rogers to be followed by Jennifer Wolfsong.
 - MR. JOHN ROGERS: John Rogers from Tubac. I'm a 23
 - 24 retired power engineer and businessman. I want to follow up
 - 25 on what my friends have said so far which makes great sense

Comment No. EW-4

The ACC is vested with the state's authority to decide how it believes energy should be furnished within Arizona's borders (for example, the need for and effectiveness of transmission lines within its borders).

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1 to me.

- 2 Two questions that I have are business questions.
- Why would a Presidential Permit be issued when we 4 have no contract between TEP and Mexico? It makes no sense.

JR-1

- 5 The second question is why would TEP invest all of 6 that money into a very expensive power line coming down here
- 7 when they don't have a contract with Mexico?
- 8 It doesn't make any sense to me. Something else 9 is going on. I don't understand it.
- 10 But going back to the Presidential Permit, it
- 11 should not be issued unless there is a contract. Thank you.
- 12 MR. ANTHONY COMO: Thank you very much.
- 13 Jennifer Wolfsong followed by Bruce Pheneger.
- 14 MS. JENNIFER WOLFSONG: My name is Jennifer
- 15 Wolfsong, and I am speaking today on behalf of Sky Island 16 Alliance.
- I would just like to talk today briefly on the
- 18 cumulative effects analysis in the DEIS. The Council on
- 19 Environmental Quality pursuant to the National Environmental
- 20 Policy Act not only requires that cumulative impacts be
- 21 analyzed but also used in determining the appropriate
- 22 actions to pursue. Cumulative impacts are defined in CEQ
- 23 regulations as the impacts on the environment which results
- 24 from the incremental impact of the action when added to
- 25 other past, present and reasonably foreseeable future

Comment No. JR-1

If TEP's proposed project is approved by each of the Federal agencies, then there would still be a variety of events that could preclude TEP from implementing this project, such as the possibility of failure by TEP to secure a power sales contract with CFE. There is no requirement that a contract for sale of power be in place before DOE can issue a Presidential Permit. Issuance of a Presidential Permit by DOE would only indicate that DOE has no objection to the project, but would not mandate that the project be built.

A background on TEP's business plan relative to the proposed project is provided in Section 1.1.2 of the Final EIS; analysis of the business decisions of TEP is outside the scope of the EIS.

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1 actions regardless of what agency or person undertakes such 2 actions.

- Furthermore the CEQ has acknowledged the fact that 4 the human environment continues to change in unintended and 5 unwanted ways in spite of improved Federal decision making 6 resulting from the implementation of NEPA is largely 7 attributable to cumulative impacts.
- 8 Unfortunately, the Draft EIS here fails to
 9 adequately address cumulative impacts overall or to assess
 10 these impacts for each separate alternative, which is
 11 required by NEPA and CEQ.
- 12 According to the CEQ's guidelines for assessing 13 cumulative impacts it is critical to incorporate cumulative 14 effects analysis into the development of alternatives for an 15 EIS.
- JW-1 This is because CEQ recognizes that only by 17 reevaluating and modifying alternatives in light of the 18 projected cumulative effects can adverse consequences be 19 effectively avoided or minimized.
 - Furthermore, as the guidelines state, the results 21 of cumulative effects analysis can and should contribute to 22 refining alternatives and designing mitigation.
 - Finally CEQ states that by definition cumulative 24 effects must be evaluated for each individual alternative.
 - Here the document has failed in two ways to follow

Comment No. JW-1

Chapter 5 of the EIS presents an analysis of cumulative impacts, as required under NEPA, which could occur as a result of the potential impacts of TEP's proposed project when added to impacts from other past, present, and reasonably foreseeable future actions. Where specific information was available on past, present, and reasonably foreseeable future actions, it was included in the EIS; relevant information received from the public during the Draft EIS public comment period was also added to the Final EIS (e.g., information on planned residential developments was added to Section 5.2.4). Section 5.1, Cumulative Impacts Methodology, in the Final EIS has been revised to clarify that the analysis identifies where cumulative impacts may differ among alternatives, and Section 5.3, Cumulative Impact Analysis, has been revised in the Final EIS to more completely assess the potential cumulative impacts.

In addition, Table 5.4-1 has been added to the Final EIS to provide a summary comparison of the cumulative impacts by resource area, and identify any differences in cumulative impacts for the Western, Central, and Crossover Corridors. For example, for the actions described as reasonably foreseeable actions in the area of Nogales, Arizona, the cumulative impacts would not differ among TEP's alternatives because the Western, Central, and Crossover Corridors are identical in the vicinity of Nogales.

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- 1 this guideline. First, none of the eliminated alternatives 2 received cumulative effects analysis prior to being 3 eliminated and, second, TEP failed to consider cumulative 4 effects with respect to each of the surviving alternatives.
- 5 Both of these flaws significantly hamper the 6 ability of the public and the decision maker to have a clear 7 basis for choice among options, and it also renders the EIS 8 severely inadequate under NEPA.
- 9 This document fails to address cumulative impacts 10 within the context of resource, ecosystem and human 11 community thresholds.

JW-1 12 cont. 12

- According to the guidelines thresholds are defined 13 as levels of stress beyond which the desired condition 14 degrades. It is impossible to determine the impact of 15 cumulative effects if no consideration is made to the 16 threshold of any given environment.
- 17 As CEQ states, the magnitude and extent of the 18 effect on a resource depends on whether that cumulative 19 effects exceed the capacity of the resource to sustain 20 itself.
- Here the document has not even addressed such 22 thresholds, let alone analyzed how the cumulative effects 23 would impact the environment with respect to these.
- 24 For example, the Forest Service has specified that 25 the Coronado National Forest has a threshold road density of

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1 one mile of road per square mile of forest. Although the 2 document pretends that the road density in this region does 3 not exceed this threshold, it has failed to consider wildcat 4 roads in its analysis even though it acknowledges that 5 wildcat roads equal more than 50 percent of all of the roads 6 within the proposed areas for action.

This important omission in turn produces a fatal 8 flaw in the document's cumulative impact analysis. It fails 9 to acknowledge both that the forest is already well above 10 its threshold for roads and that the proposed project will 11 only increase the stress and degradation in the given areas.

JW-1 cont.

- 12 Subsequently there is no discussion addressing 13 mitigation measures that will reverse this trend of 14 increasing degradation.
- 15 As the CEQ states, the most effective cumulative 16 effects analysis focuses on what is needed to ensure 17 long-term productivity or sustainability of the resource.
- 18 In addition, CEQ and NEPA require more than just a 19 laundry list of possible cumulative effects as illustrated 20 in the CEQ guidelines.
- The cumulative effects analysis is fatally
 deficient because it is a mere laundry list of possible
 negative impacts from the proposed project in light of other
 hossible uses and projects. It does not meaningfully
 analyze these effects using appropriate science or

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1 technology and fails to completely provide data that would 2 allow a clear basis for choice or meaningful analysis for 3 decision makers or the public.

The CEQ regulations require that Draft
Environmental Impact Statements fulfill and satisfy to the
fullest extent possible the requirements established for
final statements in Section 102(2)(C) of NEPA. Furthermore,
the regulations state that if a draft statement is so
inadequate as to preclude meaningful analysis, the agency
hall prepare and circulate a revised draft of the
appropriate portion.

JW-1 cont.

- Here the document has failed to comply with this
 13 mandatory requirement. The document's meager laundry list
 14 of possible cumulative effects of the proposed project, its
 15 blatant omission of cumulative effects with respect to each
 16 alternative and its utter neglect to analyze cumulative
 17 effects when deciding what alternatives to eliminate all
 18 serve to preclude meaningful analysis such that a new
 19 revised draft must be prepared.
- 20 Finally, the DEIS acknowledges its own
- 21 inadequacies in its discussion regarding visual resources.
- 22 It states, quote, "Further evaluation of potential
- 23 cumulative visual impacts is currently underway by DOE in
- 24 consultation with the U.S. Forest Service. The results of
- 25 this evaluation will be included in the Final DEIS,"

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1 unquote.

To not adequately address an issue as crucially majoritant to meaningful decision making as cumulative effects the DEIS fails to satisfy to the fullest extent possible the requirements of CEQ regulations and NEPA.

JW-1 7

6 And then one last comment. Cumulative effects
7 analysis is essential to determine whether substantive legal
8 requirements are satisfied. For example, without a

- 9 sufficient cumulative effects analysis the Forest Service is
- 10 unable to ensure compliance with the National Forest
- 11 Management Act's requirement to ensure the continued
- 12 diversity of plant and animal communities and the continued 13 viability of wildlife.
- The TEP project fails to ensure the diversity and 15 viability of species within the Coronado National Forest.
- 16 Thank you.
- 17 MR. ANTHONY COMO: Thank you.
- Bruce Pheneger. And that will be followed by
- 19 William Kurtz.
- MR. BRUCE PHENEGER: Good afternoon, ladies and
- 21 gentlemen. Thank you.
- 22 My name is Bruce Pheneger. I am a resident of
- 23 Tubac. I am also an architect.
- And all I can do is after listening to the other
- 25 speakers talk so eloquently in engineering terms and things

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- 1 of that nature is to actually say this is the visual
- 2 stimulation that appears in the EIS document. As an
- BP-1 3 architect, I can tell you that no matter how you slice this 4 or dice this, this baby is stone cold ugly.
 - And as such, even the famous sculptor Christo, the 6 internationally renowned artist, who wraps all sorts of 7 manner of things, he wrapped the museum in St. Petersburg in 8 Russia among other things, he wrapped the island in the 9 Canary Island, and given his talent I don't believe that he 10 could possibly wrap this enough that it would not impact
 - 12 And that's my statement. Thank you.

11 visually and negatively this County.

- MR. ANTHONY COMO: Thank you, Mr. Pheneger.
- MS. ELLEN RUSSELL: Mr. Pheneger, for the record
- 15 can you tell us what the picture number is that you showed 16 us?
- MR. BRUCE PHENEGER: No. I don't believe I can.
- 18 Ms. Russell. I did not write down the picture number.
- MR. ANTHONY COMO: Just for the record
- 20 Mr. Pheneger showed us a copy of a figure that appeared in
- 21 the Draft EIS of one of the transmission towers.
- 22 Thank you.
- William Kurtz followed by Hugh Holub.
- MR. WILLIAM KURTZ: My name is Bill Kurtz. I am a
- 25 resident of Santa Cruz County in the northwestern part of

Comment No. BP-1

Sections 3.2 and 4.2 discuss the existing visual resources, and analyze potential impacts to these resources.

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1 the County.

WK-2

- I was an intervenor in the TEP case, so I am fairly familiar with what's gone on with TEP and this power 4 line.
- 5 First, on Page 1-6 DOE states that they have 6 selected the western route as its preferred route at this 7 time, a qualifier. And you also state you welcome comments 8 on this.
- WK-1 9 And my comments and most of those you heard 10 yesterday and some, if not all, of those you have heard here 11 today and probably will tonight do not prefer the western 12 route or any route for that matter.
 - 13 In my reading of the DEIS I can find no compelling 14 reasons for the DOE designation. All I can suggest is for 15 you to look more critically at your own data.
 - The fact that TEP and the ACC designated the
 Twestern route as the preferred route is not a factor. TEP
 Is has its own agenda. And I might add or I might remind you
 that at the ACC hearings at the commission Mr. Spitzer, one
 of the commissioners, said in effect concerning their
 approval of the western route and all of the environmental
 - 22 implications, well, let the feds worry about that.23 So please answer the question with good
 - 24 justification why the western route is the preferred route?
 - 25 You may come to the conclusion that no action is the right

Comment No. WK-1

The Federal agencies note the commentor's opposition to all three action alternatives.

Comment No. WK-2

Section 1.4 of the Draft EIS explained why DOE selected the Western Corridor as its preferred alternative in the Draft EIS. Section 1.4 of the Final EIS has been updated to reflect any new information and identifies the preferred alternatives for all Federal agencies. Section 1.6.6 explains that there are other factors in addition to environmental considerations that may be considered in the decision of each Federal agency on the proposed project, and that the decisions of each agency will be explained in their respective RODs.

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1 decision.

- 2 If I understand correctly, the DOE is not 3 concerned with business matters or economics. However that 4 may be, I think we have a rather special case here.
- Without approvals by our friends south of the 6 border or Mexico the 345-kV line will never be used for the 7 reasons it is being built by TEP.
- 8 TEP says with your approval they will build a 9 345-kV line with all of its environmental impacts and use it 10 to fulfill the ACC order to supply a second transmission 11 line to the Citizens Utilities of Nogales.
 - 12 Thus we end with up with the full environmental 13 impact of a 345-kV line only used for 115-kV. You must in 14 this case have better proof of need before destroying the 15 environment.
 - I can appreciate the fact that a company may want 17 to take a business risk. But when it has the impacts of a 18 345-kV line, an approval agency such as yours needs to 19 require better hard data not only of its need but the fact 20 that it can be used as proposed.
- WK-4 21 There are some very real discrepancies between 22 what TEP testified under oath before the ACC Power Line and 23 Line Siting Committee and the ACC compared to what appears 24 in the DEIS.

I see that some of the ACC testimony is part of

Comment No. WK-3

If TEP's proposed project is approved by each of the Federal agencies, then there would still be a variety of events that could preclude TEP from implementing this project, such as the possibility of failure by TEP to secure a power sales contract with CFE. Issuance of a Presidential Permit by DOE would only indicate that DOE has no objection to the project, but would not mandate that the project be built.

The wisdom of TEP's business decisions are outside the scope of the EIS. Refer to the response to comment WK-2 above regarding additional factors (outside of those evaluated in the EIS) that may be considered in the decision of each Federal agency on the proposed project.

Comment No. WK-4

Section 4.12.1, Transportation, states that TEP would create new access ways only where no access currently exists. This EIS evaluates the affected environment and potential environmental impacts of the proposed project and No Action Alternative based on both the most recent project design information provided by TEP (including the Roads Analysis for the proposed project [URS 2003a]) and the independent analyses of the Federal agencies. The EIS does not evaluate the consistency of the project design information with previous information, and the Federal agencies recognize that the design of a project can evolve over time. However, if TEP is granted approval for an action alternative and subsequently makes changes to their project design that would significantly alter or increase the environmental impacts, TEP's proposed project would be subject to supplemental NEPA review.

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- 1 your data, though I am not sure all 2,000 pages of it are.
- I give you one good for instance that translates 3 into a much greater environmental damage under the DEIS than 4 it does in the sworn testimony at the ACC hearings by TEP.
- 5 There TEP many times reiterated that for construction they
- 6 would use existing roads and not even have to fix up those
- 7 existing roads and they would even drive many miles in
- 8 access just to use those roads so as not to build new roads
- 9 except in a few minor, and I emphasize minor instances.
- WK-4 cont.
 - 10 Well, in the DEIS what do we have? Just in the
 - 11 Forest Service where the line is only 29 miles long they
 - 12 have 20 miles of new roads. Outside the forest there is
 - 13 another 20 miles or more of new roads. So I have two
 - 14 questions.
 - Why doesn't the DOE hold TEP to their sworn
 - 16 testimony to only construct a very minor amount of new roads
 - 17 and not to upgrade the existing roads?
 - 18 The second, why in your analyses do you not
 - 19 consider the impact of using helicopters to construct the
 - 20 whole 65.7 miles of transmission line?

WK-5

- TEP has testified under oath that both monopoles 22 and lattice poles can be erected totally by helicopter, and 23 we know sky cranes can handle placing the heavy tension and
- 24 pulley equipment. 2.5 So you, DOE, say it's not your duty to study the

Comment No. WK-5

The option of constructing the entire length of the transmission line by helicopters without using roads is not feasible because construction crews would still be needed on the ground for digging and pouring foundations (see Section 2.2.3, Transmission Line Construction) even if transmission line structures are brought in by helicopter.

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1 economics. So my question is why did you not consider WK-5 2 helicopter impact versus construction plan discussed in your 3 DEIS? This should be done before any Final EIS is produced.

As pointed out by a speaker at last night's 5 meeting, your DEIS contains much more and more detailed 6 information within the Coronado National Forest than all of 7 the other 36 miles of the route. Why is this? I expect 8 this deficiency to be corrected and available for review 9 before the Final DEIS.

Also brought up last night was the community 11 around the McGee Ranch. TEP should be required to site 12 their line to avoid having to condemn houses in this area. 13 From what I've seen out there with a two-mile wide corridor 14 this can be done and should be done. I would like an answer 15 to this before any Final DEIS is produced.

Much discussed here today is a power plant in 17 Nogales. I draw your attention to your own statement on

18 Page 2-11 where you eliminated it from consideration

19 because, quote, "It would not fulfill TEP's purpose and need

20 of assisting Citizens in meeting ACC Order 62011 that

21 includes a requirement to build a second transmission line

22 to serve the customers in Santa Cruz County by

23 December 31st, 2003," end quote.

First, you know well and good that the existing 25 application before you will not meet that deadline either.

Comment No. WK-6

The information provided on the portion of the proposed corridors outside of the Coronado National Forest is appropriate for the analysis of the proposed project. USFS has additional analytical requirements (such as the ROS analysis) that require specific, and sometimes more detailed, analysis for lands within the Coronado National Forest.

Comment No. WK-7

As a condition of the Certificate of Environmental Compatibility issued by the ACC to TEP in January 2002, TEP would be obligated to "meet and confer with landowners who are within or adjacent to the Route Corridor and other interested parties in order to develop a plan for specific pole locations that will mitigate the environmental and visual impact of the Project transmission lines within the Route Corridor." If implementation of the proposed project requires condemnation of private lands (in the case that an easement agreement cannot be reached with the land owner), such condemnation would be subject to separate legal proceedings which provide due process for those affected.

Comment No. WK-8

Section 1.2 explains the roles of the Federal agencies in developing alternatives for the proposed project. Where an applicant seeks a permit for a particular business project, such as the case with TEP's proposed project, the Federal agencies generally limit their review of alternatives to those that would satisfy the applicant's proposal and decide whether that proposal is or is not worthy of receiving a permit. The Federal agencies do not review alternatives that are not within the scope of the applicant's proposal. Similarly, the agencies do not direct the applicant to alter its proposal; instead, the agencies decide whether a permit is appropriate for the proposal as the applicant envisions it. It is not for the agency to run the applicant's business and to change the applicant's proposal, but only to evaluate the environmental effects of the applicant's business proposal as offered. Accordingly, the EIS evaluates a reasonable range of alternatives, which include the full spectrum of alternatives that would satisfy the applicant's proposal.

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WK-8 1 And two, TEP could build a power plant in Nogales. They cont. 2 just don't want to.

- Perhaps if you render a decision of no action on 4 this application, TEP, now the owners of Citizens, will 5 reconsider that. You should and I expect you will improve 6 this option in your comparative analysis.
- 7 I think your reasons for eliminating some of the 8 other routes, so-called alternative routes, are very weak 9 and simply represent what TEP wants, reasons such as 10 condemning property, destruction of a line by wildfire when 11 there are no large trees and so on. These same reasons can 12 be used for the elimination of the western route.
 - 13 You told a speaker last night that this DEIS is 14 not a TEP document, which is only kind of the truth from my 15 viewpoint.

WK-10 | 16

Many exhibits are TEP's. You refer to TEP as an 17 ACC case. And some of the backup data, e-mails and letters, 18 includes work and input by TEP. I see a very strong 19 reflection of TEP's hand in all of this.

WK-1 cont.

- 20 I conclude based on my study of this DEIS we are 21 considering today as it now stands I believe the only action 22 justified is a decision of no action.
- Thank you very much.
- MR. ANTHONY COMO: Thank you.
- 25 Hugh Holub. And he will be followed by James

Comment No. WK-8 (continued)

A new power plant in Nogales is not a viable alternative to a new, second transmission line (part of TEP's proposal). Therefore, the alternative of a new power plant is not evaluated in detail in this EIS. Section 2.1.4, Alternatives Considered But Eliminated From Further Analysis, has been renumbered to Section 2.1.5 in the Final EIS, and revised to clarify the reasons that the power plant alternative was eliminated.

Comment No. WK-9

The reasons cited by the commenter are from a TEP letter to DOE (TEP 2002a) stating that they are not pursing the Eastern Corridor. As stated in Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis, in the Final EIS, TEP's decision not to pursue the Eastern Corridor alternative renders it infeasible, and the Federal agencies removed this alternative from further consideration for this reason. Refer also to the response to Comment WK-8 above regarding the roles of TEP and the Federal agencies in developing alternatives for the proposed project. Section 3.10.1, Safety, states that there have been a number of fires in the project area, acknowledging that this is a concern in the project area (as referenced by TEP in their letter to DOE).

Comment No. WK-10

In all EISs that assess an applicant-proposed project (as opposed to a federally proposed project), it is necessary that the applicant provide project-specific information such as design parameters, purposes and needs for the project, etc. While this information comes initially from the applicant, because of their unique knowledge of their own project, the Federal agencies always review and evaluate the merits of this information before relying upon it in an environmental analysis.

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- 1 Patterson.
- MR. HUGH HOLUB: Thank you. My name is Hugh 3 Holub, and I am here today representing the City of Nogales. 4 We have been reading in media that the proposed power line 5 has been mandated by the State of Arizona in response to a 6 claim the City filed against Citizens Utility several years 7 ago regarding electric service in our community.
- 8 And for the record I am the attorney that filed 9 that complaint against Citizens Utility and represented the 10 City in that proceeding.
- We would like the record to be clear that the City 12 of Nogales never requested a transmission line be the 13 solution for the reliability in our community and that to 14 connect the State mandate to the City's complaint is 15 misleading.

HH-1

- The State mandate, as we understand it, is just 17 for the local energy needs and does not require a 345-kV 18 transmission line to accomplish.
- The City is concerned about the nature of the
- 20 State mandate in that it will inevitably result in yet
- 21 another rate increase, and we already have the highest
- 22 electric rates in the state and cannot absorb any more
- 23 increases. Our economic viability is at risk here.
- As a consequence, the City is actively pursuing 25 alternative solutions to the energy needs of the City that

Comment No. HH-1

ACC Decision No. 62011 (ACC 1999) mandates the construction of a second transmission line to serve customers in Santa Cruz County, and does not reference the export of electricity to Mexico. However, TEP's stated purpose and need for the proposed project is a dual purpose and need of benefiting both southern Arizona and Mexico.

The ACC is vested with the state's authority to decide how it believes energy should be furnished within Arizona's borders (for example, the need for and effectiveness of transmission lines within its borders). Refer to the revised text in Section 1.1.2, The Origin of TEP's Proposal: TEP's Business Plan and the Proceedings of the Arizona Corporation Committee, that provides explanation of the jurisdictions and authorities of the state and Federal agencies, and their relationship to this NEPA analysis.

After a utility company such as TEP constructs a project, the ACC determines whether, or to what degree, an investment by a utility is recoverable through retail (consumer) electricity rates. Because the Federal agencies cannot anticipate how the ACC may adjust consumer electricity rates in light of the proposed project, the potential change in consumer electricity rates is too speculative for inclusion in the EIS.

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HH-1 cont.

1 are not dependent on a new transmission line and which will 2 not precipitate further rate increases in the magnitude that 3 the State mandated transmission solution will generate.

- The City reserves the right to file additional written comments with DOE about this matter. Thank you.
- 6 MR. ANTHONY COMO: Thank you.
- 7 James Patterson?
- 8 MR. JAMES PATTERSON: Mr. Como, nice to see you 9 again. Welcome back.
- 10 MR. ANTHONY COMO: Thank you.
- 11 MR. JAMES PATTERSON: My name is Jim Patterson,
- 12 and I'm on the board of directors of the Palo Parado
- 13 Property Owners Association and vice-president of the Board
- 14 of Directors of Tubac Center of the Arts. And I admit to 15 being a generally cranky person.
- 16 Here we are again. I am also one of the purported
- 17 beneficiaries of this transmission line, and that's where my
- 18 crankiness comes back. I don't feel like a beneficiary. I
- 19 feel like a victim.
- And I realize this doesn't really strike the
- 21 rapport of the Environmental Impact Study, and I will say
- 22 something about that in a minute. But people here keep
- 23 expressing their viewpoint that they don't want this
- JP-1 24 transmission line, and yet it's being sold by TEP, now
 - 25 UniSource, in their newsletter as being for us as a backup.

Comment No. JP-1

As explained in Section 2.1.5, improvements to the local distribution system (formerly Citizens) do not eliminate the need for the proposed second transmission line.

Potential economic benefit to TEP or its shareholders from the proposed project is outside the scope of the EIS.

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Most of us here. I don't think, think we need a 2 backup anymore. Our power meets our reliability. It didn't 3 used to, but it meets our reliability standards now. And 4 yet I'm supposed to be a beneficiary of this.

JP-1

But the true beneficiaries of this in my mind are cont. 6 really a very small group of people, and those are the 7 shareholders of the public company that want to sell excess 8 capacity from a power transmission plant and they want to 9 sell it to Mexico and they want to use our backyards or our 10 wilderness area to do that.

And this is sort of where the few words about

JP-2

12 environmental impact come in. If you have an area where 13 there is no transmission lines now and you drive a bunch of 14 trucks through there and you lay down cement pads and create 15 some roads to string some lines and then you have these 16 power lines where you didn't have them before, it doesn't 17 take a bunch of visits, I like seeing you, but it doesn't 18 take a lunch of visits or a 100-page EIS to know that 19 there's an impact. It destroys the environment.

- 20 That's all I have to say, and it was good to see 21 you again.
- MR. ANTHONY COMO: Thank you, Mr. Patterson. Sam 22 23 to you.
- Zay Hartigen to be followed by Rich Bowman. 24
- MR. ZAY HARTIGEN: Zay is my first name. Hartigen 25

Comment No. JP-2

This EIS evaluates the affected environment and potential environmental impacts of the proposed project and No Action Alternative. Section 1.6 explains that the EIS is a source of information for Federal decisionmakers when deciding among the various alternatives for a program or project. The public participation required as part of the NEPA process is explained in Section 1.6.

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2 earlier just gave a lot of good reasons economically and
3 sensibly why we shouldn't have these power lines going in
4 and why a local generating plant would be a better solution
5 to the problem.

1 is my last name. A couple of these fellows that were up

6 I definitely am strongly for no action on this 7 proposal. If it were to go through, I would be very 8 strongly against the western route. I think that not only

ZH-2 9 would it be a lot less accessible than the central corridor,
10 so that's going to be more expensive to put it in, it's
11 going to be more expensive to maintain if there is problems.
12 And a lot of that country you are just not going to get into
13 when it gets wet.

I live out in San Rafael Valley east of Patagonia.

15 I had a power outage last month that was 20 hours. Give me
16 20 hours out of every month rather than put these power
17 lines in. And they are just not going to help. That's not
18 where the problem is. And these fellows talked about it
19 much more eloquently than I could what we really need.

ZH-3 20 And TEP is going to make a lot of money or they 21 hope to make a lot of money by putting a big pipeline 22 through when that's not what we need. It's what they want.

ZH-4 23 I don't know if you folks have ever been in Peck
24 Canyon with the crossover route. There is not a lot of
25 places in Arizona where we have clear flowing water much of

Comment No. ZH-1

A new power plant in Nogales is not a viable alternative to a new, second transmission line (part of TEP's proposal). Therefore, the alternative of a new power plant is not evaluated in detail in this EIS (refer also to Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis).

Comment No. ZH-2

The Federal agencies note the commentor's preference for the No Action Alternative and opposition to the Western Corridor.

Comment No. ZH-3

Potential economic benefit to TEP or its shareholders from the proposed project is outside the scope of the EIS.

Comment No. ZH- 4

Chapter 3, Affected Environment, includes discussions of Peck Canyon under the Crossover Corridor subsections for each resource area, and Chapter 4, Environmental Effects, evaluates potential impacts to Peck Canyon. As stated in Section 4.12.3, TEP is not proposing any road construction or improvement within the inventoried roadless area that encompasses part of Peck Canyon.

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1 the year. That's one of the places. There is no roads

2 through the majority of that canyon. You put that road in,

3 you put these big ugly towers in, and it's going to get

ZH-4

RB-1

ZH-4 4 trashed. It's a beautiful, beautiful special spot, as is a

cont. 5 lot of this stuff on the western route, not even counting

6 that crossover. But it just saddens me very much to think

7 about that place being desecrated with these power lines

8 just to benefit TEP's shareholders.

9 That's all I have to say.

10 MR. ANTHONY COMO: Thank you.

11 Mr. Bowman?

MR. RICH BOWMAN: My name is Rich Bowman. I am a

13 resident of Tubac, also, vice-president of our Santa Cruz

14 Valley Citizens Council.

I want to be very brief. I'm going to submit some

16 written comments before October 14th.

Times have changed, as everyone has mentioned,

18 since 1999. Our conditions today are much different, and

19 our need for this second transmission line have changed.

20 The reliability has improved, as other speakers have said.

 $21\ \mbox{In fact, now that } \mbox{UniSource has purchased Citizens they}$

22 claim they are even going to improve that reliability.

I agree with everything that our County people

24 have spoken to to date, Hugh Holub. If we do need

25 additional power generation, the ideal way to do that is

Comment No. RB-1

The ACC is vested with the state's authority to decide how it believes energy should be furnished within Arizona's borders (for example, the need for and effectiveness of transmission lines within its borders). Refer to the revised text in Section 1.1.2, The Origin of TEP's Proposal: TEP's Business Plan and the Proceedings of the Arizona Corporation Committee, which provides explanation of the jurisdictions and authorities of the state and Federal agencies, and their relationship to this NEPA analysis.

Improvements to the local distribution system (formerly Citizens) do not eliminate the need for the proposed second transmission line. A new power plant in Nogales is not a viable alternative to a new, second transmission line (part of TEP's proposal). Therefore, the alternative of a new power plant is not evaluated in detail in this EIS (refer also to Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis).

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RB-2

RB-1 | 1 with local power generation, not through transmission lines.

- Now I have a couple maybe in the form of a question. One, I do realize that the Forest Department is a 4 big factor in you folks making the decision that's necessary 5 here.
- And I don't know if Jerry and his boss have an answer yet, and I don't know how long that's going to be coming, but basically if they deny access through the National Forest, which both of these routes go through, it becomes a no action item. And I don't know how long that decision is going to be forthcoming, but I'm hoping that would be their decision.

Secondly, if one of these routes is built, and I

14 agree with our attorney, Steve Duffy, that for various

15 reasons the central route should be not even considered and

16 for other reasons, including what George Bell mentioned

17 earlier and for all of the environmental reasons and the

18 cost and so on and so forth, the western route shouldn't be

19 considered either, but if it is built, we are told that this

20 proposed \$87 million cost \$20 million of that are going to

21 be put onto the ratepayers of Santa Cruz County, the City of

We already have had a 22 percent rate increase, 24 and I don't believe the people are going to be willing to 25 shoulder that burden of an additional \$20 million over how

22 Nogales and Santa Cruz County.

Comment No. RB-2

The Federal agencies agree that if any agency (including USFS) denies permission for the proposed project, it would not be built (see Section 1.6.6 of the EIS).

Comment No. RB-3

Because the Federal agencies cannot anticipate how the ACC may adjust consumer electricity rates in light of the proposed project, the potential change in consumer electricity rates is too speculative for inclusion in the EIS (see the response to the Border Power Plant Working Group, Comment 2).

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RB-3 | 1 s

RB-3 | 1 many years that's appreciated.

- The last thing I would like to mention is that the 3 Environmental Impact Statement did not seem to address this, 4 it applies to a portion of both routes but primarily the 5 central route which follows the gas line. That gas line 6 owned by El Paso Natural Gas is a 40-foot easement. I have 7 talked to the district, the southwestern district rep out of 8 Phoenix about this particular concern, and he said no way 9 would they allow a utility company to build a power line 10 over their gas line.
- 11 So that brings, that raises the question, well,
 12 why is it even being considered? And there is all kinds of
 13 not only environmental but dangerous reasons why you
 14 wouldn't want to do that.
 - First, they would have to widen that easement from 16 40 feet to probably something in excess of 125 feet for 17 those 140-foot high towers. That's also going to require 18 eminent domain purchasing private ownership of people's 19 properties adjacent to existing homes.
 - 20 So I know the environmental impact study is done
 21 by people who have to put together somewhat of a subjective,
 22 they may want to be objective, but it still comes down to a
 23 subjective opinion, and it seems like we have missed a big
 24 part of that whole impact with that gas line that runs all
 25 the way from Sahuarita clear down to the northern part of

Comment No. RB-4

A minimum distance of 100 ft (30 m) would be maintained between any of the proposed transmission line structures and the edge of the existing EPNG pipeline ROW, in compliance with the Amended Certificate of Environmental Compatibility issued to TEP on October 29, 2001, ACC (see Section 4.10 of the Final EIS). As shown in Table 10-2 of the Final EIS, the Federal agencies consulted with EPNG regarding safety requirements, and EPNG concurred that the ACC's requirement is adequate.

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1 Nogales.

cont.

So I do think there are a lot of issues that still 3 need to be addressed. And hopefully before we spend more

4 time addressing them Jerry and his good friends from the RB-4

5 Forest Department will see good reason and realize that,

6 hey, we're not going to allow access and we go to the no

7 action item. That solves your problem, and I think

8 everybody would be happy. Thank you.

MR. ANTHONY COMO: Let's just go off the record 10 for a second.

(Whereupon a discussion was held off the record.) 11

MR. ANTHONY COMO: At the moment we have sort of

13 run out of people who have signed up, but we are here until

14 3 o'clock. Could I suggest that we just shut down for a

15 couple of minutes and take a five minute rest room?

Yes, ma'am. Would you like to speak?

MS. JEAN ROGERS: I would like to say something. 17

18 My name is Jean Rogers, and I am married to the

19 engineer over here, and he is the one that keeps our

20 relationship on an even keel because I'm the one that has

21 the emotional big heart, compassionate person, and he is the

22 one that says no, that won't work because he is the

23 engineer.

But I would like to speak from my heart right now.

25 I am a native Arizonan, and I moved to Santa Cruz County

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- 1 10 years ago because of what has happened in the Phoenix 2 area. I wanted to be back, if possible, to an area which 3 reminded me of my youth and growing up.
- 4 I am with that rancher that just spoke from the
 5 San Rafael Valley. As far as I'm concerned, I would rather
 6 have candles lit in my house, no air conditioning, the
 7 computers not working with a power outage than to have to go
 8 and ruin this beautiful, pristine area that we live in and
 9 that all of us if we weren't born here have chosen to live
 10 in.
- JR-1 So please do a no action. Let us go and get rid
 12 of this albatross that TEP has hung around our necks and let
 13 us move on with keeping our area the way it should be,
 14 pristine, beautiful and a place where we all want to live.
 15 That's from my heart.
 - 16 MR. ANTHONY COMO: Thank you, Ms. Rogers.
 - 17 After Mrs. Kurtz speaks, we are going to take a 18 five minute break.
- 19 MS. HELEN KURTZ: My name is Helen Kurtz. And
 20 hearing all of the subjects that were covered in this EIS by
 21 previous speakers and speakers that have a lot of technical
 22 information there are some things that have concerned me.

 23 In this process I know that some names were eliminated from
 HK-1
 24 receiving the notices on the Federal Register on the EIS

25 because they were told, I was told that because they lived

Comment No. JR-1

The Federal agencies note the commentor's preference for the No Action Alternative.

Comment No. HK-1

Section 1.6 of the Final EIS has been revised to explain the process conducted by the Federal agencies to invite public participation in the NEPA process per CEQ requirements. The Draft EIS was sent to any individual who expressed interest in receiving the document. No individuals were taken off the mailing list because of "where" they lived.

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1 outside of this area, rather, in Tucson or elsewhere that 2 they weren't considered important to mail this to.

HK-1 3 cont.

HK-2

- Now whether or not that's true I don't know. But 4 if it is, I think it is something that needs to be checked 5 into. As Mr. Bell pointed out, there are a lot of people 6 that come into this area from all over the world because it 7 is such a beautiful place.
- 8 And that brings up another thing. I know there is 9 no assessment for emotion. And Mrs. Rogers spoke so well to 10 that, that there is a great part of emotion in all of this.
- But I think that in considering the western route,
 12 even though there are not people living there or not very
 13 many, that they are not given the same voice as people
 14 living in the valley elsewhere simply because there aren't
 15 that many people, but it will have an effect economically,
 16 emotionally as much as it would to a homeowner living on the
 17 other side.

HK-3

And again, when I spoke about last night the EMF 19 problem that I foresee in the McGee Ranch area another 20 problem is the power lines are passing along the gas line 21 route.

Well, it came out in the ACC hearings that no one 23 really knew who was responsible for the safety of that 24 route. We know that El Paso Natural Gas or their company 25 now owns that, but no one was sure who was responsible for

Comment No. HK-2

The portions of the proposed corridors that are densely populated and sparsely populated are given equal evaluation in the EIS. Furthermore, the NEPA public involvement process is not a voting process that favors a larger majority over a smaller group of citizens. Rather, it gives equal consideration to each commentor's comments and concerns. Visual simulations along both the densely and sparsely populated areas along the corridors have been performed.

Comment No. HK-3

Section 4.10, Human Health and Environment, of the Final EIS has and been augmented to include a discussion of the safety considerations of locating a 345-kV transmission line in the vicinity of a natural gas pipeline.

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1 the safety. It also came up all of the problems of 2 corrosion in the pipeline and how they are affected by the 3 EMFs given off by the power lines.

HK-3 cont.

Well, I have many friends in Tubac, and I 5 understand their problem there, but it's going to be even 6 more so in the McGee Ranch area because that will follow 7 right along that pipeline.

- Also, the roads have been touched upon. We know 9 those areas, and those roads that are existing on the 10 western side certainly will not accommodate the kind of 11 equipment that's going to be necessary for TEP to bring in 12 there. And there are not very many of them.
- The power plant is no less speculative than TEP's 13 14 proposal to Mexico because there is no agreement, and Mexico 15 even lately has said that they do not want to privatize.

- HK-5 16 And this is going to be something that is going to become a 17 dinosaur in the desert. It's overkill. Putting in a 18 345-kilovolt line is like killing a fly with a cannon.
 - And we feel that there should be no action and 20 there should be a local generating plant. Thank you.
 - MR. ANTHONY COMO: Thank you, Mrs. Kurtz. 21
 - 22 We will take about a five minute break.
 - 23 (Whereupon a recess was taken from 2:40 P.M. to 24 3:00 P.M.)
 - MR. ANTHONY COMO: Ladies and gentlemen, you can

Comment No. HK-4

Section 4.12, Transportation, includes the preliminary identification of locations where existing roads would need to be improved for construction and/or operation of the proposed project (see Figure 3.12-1, Roads Within the Tumacacori EMA).

Comment No. HK-5

If TEP's proposed project is approved by each of the Federal agencies, then there would still be a variety of events that could preclude TEP from implementing this project, such as the possibility of failure by TEP to secure a power sales contract with CFE. Issuance of a Presidential Permit by DOE would only indicate that DOE has no objection to the project, but would not mandate that the project be built.

A new power plant in Nogales is not a viable alternative to a new, second transmission line (part of TEP's proposal). Therefore, the alternative of a new power plant is not evaluated in detail in this EIS (refer also to Section 2.1.5, Alternatives Considered But Eliminated From Further Analysis).

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1 even hear me if you're standing outside there, if no one has 2 any objections or any other issues to bring, I would like to 3 close the record and adjourn until later on this evening.

- We're going to be back here at 5:00 P.M., 5 5 o'clock to 7 o'clock tonight, and any and all of you are 6 certainly welcome to sit in again, and we promise we will 7 have at least the same amount of refreshments this evening, 8 also.
- 9 So thank you for coming, and hopefully we will see 10 some of you this afternoon. Thank you.

(Whereupon the hearing was concluded at 3:01 P.M.) 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

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1 STATE OF ARIZONA
2 COUNTY OF PIMA
3
4 I, RAYNBO SILVA, Certified Court Reporter in the
5 County of Pima, State of Arizona, certify:
6 That the foregoing Public Hearing was taken before
7 me at the time and place therein set forth;
8 That the foregoing 60 pages comprise a full, true
9 and accurate transcription of my notes of said Public
10 Hearing;
That I am not of counsel nor attorney for or
12 related to either or any of the parties in this action, nor
13 interested in the outcome thereof.
DATED this 10th day of October, 2003.
15
16
17
18
19 Raynbo Silva, RPR, CSR, CCR
Certified Court Reporter No. 50014
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22
23
24
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